

DELMICO MINES LIMITED / *Annual Report* YEAR ENDED DECEMBER 31, 1970



DELMICO MINES LIMITED

Auditors' Report

To the Shareholders of
Delmico Mines Limited

We have examined the balance sheet of Delmico Mines Limited as at December 31, 1970 and the statements of deferred exploration expenditures, deficit, administrative expenses and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the company as at December 31, 1970 and the results of its operations and the source and application of its funds for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

THORNE, GUNN, HELLIWELL & CHRISTENSON,

Chartered Accountants.

Toronto, Canada,
January 7, 1971.

DELMICO MINES LIMITED

(Incorporated under the laws of Ontario)

Balance Sheet — December 31, 1970 (with comparative figures at December 31, 1969)

ASSETS

	1970	1969
Current		
Cash	\$ 316	\$ 1,300
Demand deposit	9,620	12,890
	<u>9,936</u>	<u>14,190</u>
Investments, at less than cost		
(quoted market value 1970, \$31,500; 1969, \$50,250)	54,001	54,001
Mining Claims		
34 Patented claims, Manitouwadge Lake Area, Port Arthur Mining Division, Ontario, acquired for 1,000,000 shares of capital stock	100,000	100,000
Deferred Exploration Expenditures	104,230	102,914
	<u>\$ 268,167</u>	<u>\$ 271,105</u>

LIABILITIES

Current Liabilities		
Accrued liability	\$ 300	\$ 300

SHAREHOLDERS' EQUITY

Capital Stock		
Authorized — 4,000,000 shares of \$1 par value each		
Issued — 2,850,005 shares	2,850,005	2,850,005
Less discount thereon	2,140,000	2,140,000
	<u>710,005</u>	<u>710,005</u>
Deficit	442,138	439,200
	<u>267,867</u>	<u>270,805</u>
	<u>\$ 268,167</u>	<u>\$ 271,105</u>

Approved by the Board:

“S. A. PERRY”, Director.

“R. D. BELL”, Director.

DELMICO MINES LIMITED

Statement of Deferred Exploration Expenditures

Year Ended December 31, 1970
(with comparative figures for 1969)

	<u>1970</u>	<u>1969</u>
Balance deferred at beginning of year	\$ 102,914	\$ 101,554
Expenditures during year		
Government fees and taxes	1,316	1,360
Balance deferred at end of year	<u>\$ 104,230</u>	<u>\$ 102,914</u>

Statement of Deficit

Year Ended December 31, 1970
(with comparative figures for 1969)

	<u>1970</u>	<u>1969</u>
Deficit at beginning of year	\$ 439,200	\$ 435,430
Administrative expenses	2,938	3,770
Deficit at end of year	<u>\$ 442,138</u>	<u>\$ 439,200</u>

Statement of Administrative Expenses

Year Ended December 31, 1970
(with comparative figures for 1969)

	<u>1970</u>	<u>1969</u>
Administration fee	\$ 2,400	\$ 3,000
Audit	275	400
Government fees and taxes	60	60
Reports to shareholders	833	889
Transfer agent's fees and expenses	57	60
Miscellaneous	44	80
Expenses for the year	<u>3,669</u>	<u>4,489</u>
Deduct interest earned	731	719
Administrative expenses for the year	<u>\$ 2,938</u>	<u>\$ 3,770</u>

DELMICO MINES LIMITED

Statement of Source and Application of Funds

Year Ended December 31, 1970
(with comparative figures for 1969)

	1970	1969
Source of funds	Nil	Nil
Application of funds		
Administrative expenses	\$ 2,938	\$ 3,770
Exploration expenditures	1,316	1,360
	<u>4,254</u>	<u>5,130</u>
Decrease in working capital	<u>4,254</u>	<u>5,130</u>
Working capital at beginning of year		
As previously reported	67,891	73,021
Reclassification of marketable securities	54,001	54,001
	<u>13,890</u>	<u>19,020</u>
Working capital at end of year	<u><u>\$ 9,636</u></u>	<u><u>\$ 13,890</u></u>

Note to Financial Statements

Year Ended December 31, 1970

Comparative figures

Certain figures for 1969 have been reclassified to conform with financial statement presentation adopted for 1970.

